



# Sustainability Policy

Allianz Global Corporate & Specialty Brasil Resseguros S.A.

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# 1. Introduction

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## 1.1 Objective

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The content of this Policy focused on the requirements of our stakeholders, relevant regulations, and sustainability rating based in definitions taken by Allianz Group (“Allianz”), which AGCS Brazil is adherent to.

As part Allianz commitment in supporting environmental, social and governance (“ESG”) aspects, following the description of our sustainability approach and strategies, focusing on renewable energy, on the importance of solving the climate crisis and on the pursuit of a net-zero world to which Allianz has committed as part of the net-zero objective of Paris Climate Agreement.

In addition, this Policy addresses the social issues emerging from the net-zero transition particularly in view of rising energy and food prices. Allianz has the ambition, as well as the global scale and skills, to be the trusted partner of our stakeholders, helping to solve society’s most pressing issues. Already today, Allianz is taking ESG aspects to the heart of our business. Going forward, Allianz is working to fully integrate sustainability into how Allianz runs the whole organization and their business alike, and to drive real world impact in societies, economies, and the environment. To support the sustainability integration, Global Sustainability was established as a Group Center as of January 2021, and the Sustainability Committee was formed under the Allianz SE Board of Management in June 2021.

In 2022 and on, Allianz will further integrate sustainability into Allianz’ organization and business areas and continue inspiring employees, customers, investors, and society.

This policy was developed based on the global sustainability premises of Allianz Group and reflects the global initiatives, which will be implemented in all companies of the Group accordingly.

## 1.2 Scope

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The AGCS BR Sustainability Policy is based in Allianz SE sustainability initiatives, designed to comply with Circular SUSEP 666/2022, and it is mandatory within AGCS BR only.

## 1.3 Related Documents

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This document forms part of the overall AGCS BR Governance Framework, and complies with the requirements of the Allianz Group Governance Framework.

# 2. Roles and Responsibilities

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## 2.1 Board of Management Allianz SE

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The Board of Management at Allianz SE is ultimately responsible for all matters related to sustainability for AGCS BR and is supported by the Sustainability Board (formerly known as ESG Board).

## 2.2 AGCS BR Statutory Committee

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The Statutory Committee at AGCS BR is composed by the AGCS BR Statutory Directors and is ultimately responsible for all matters related to the approval, implementation and dissemination of this Sustainability Policy.

In addition, the AGCS BR Statutory Committee is responsible for ensure:

The alignment between this Policy and AGCS BR strategic goals and business plan;

The compatibility and integration between the sustainability policy and the other AGCS BR policies, especially the risk management policy and its complementary policies;

The adherence of AGCS BR businesses and operations to this Policy;

AGCS BR Statutory Committee shall also ensure that the mechanisms of performance evaluation and the compensation structure adopted by AGCS BR, both for its internal and external collaborators, do not encourage behaviors incompatible with this Policy.

## 2.3 AGCS BR Directors

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The Directors at AGCS BR (including Statutory Directors) are ultimately responsible for:

Conduct, in line with the principles and guidelines of this Policy, the activities under their responsibility, including actions related to the development and offer of products or services and the performance of its activities and operations, promoting the correction of possible deficiencies detected; and subsidize the AGCs BR Statutory Committee regarding the elaboration and re-evaluation of this Policy.

# 3. Risks and Opportunities

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## 3.1 Sustainability Approach

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Allianz supports the transformation towards sustainable economies and societies this means that all our decisions and shapes our approach to sustainability. The very nature of what we do contributes to creating secure and sustainable economies and societies – pooling, investing and managing risks to help protect and grow lives, assets, and businesses.

Allianz creates positive social and environmental impact through the way the organization is run and by using its insurance, investment, and asset management expertise. With Allianz competence, expertise and global footprint, the Group has the ambition to be a catalyst for sustainable growth in the financial services industry and beyond.

Allianz prioritizes three United Nations (UN) Sustainable Development Goals (SDGs) to guide the integration of sustainability across the Group. While all the SDGs are important, Allianz prioritizes:

SDG 8, Decent work and Economic growth - in line with Allianz' aspiration to be a trusted partner for protecting and growing Group' stakeholders' most valuable assets;

SDG 13, Climate Action - in line with Allianz' commitments to net-zero by 2050;

SDG 17, Partnerships - in line with Allianz' belief that progress in reaching sustainability goals requires collaborative global action, beyond company boundaries.

Success in reaching any goal requires effective measurement. As Allianz learns and advance on the journey, the Group is fully integrating sustainability into the decision-making process.

### Sustainability Integration Approach

Allianz increased the importance of sustainability on their agenda in 2021 with the ambition to fully integrate sustainability across the Group.

The Board of Management at Allianz is ultimately responsible for all matters related to sustainability for all entities within the Group, which includes AGCS BR and is supported by the Sustainability Board (formerly known as ESG Board).

## 3.2 Social Approach

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To address 'Social risks', the respect for human rights is a fundamental requirement for responsible business within and beyond Group' direct operations. Allianz SE is a signatory of the United Nations Global Compact (UNGC) and it is committed to upholding human rights. Being a trusted industry leader

and partner means protecting human rights in all our different roles – as an insurer, investor, asset manager, employer and in the supply chain.

Allianz' social approach is based on the belief that business can only thrive as part of an equitable society. Prioritizing employees, Allianz' sustainability efforts begins with creating a thriving and inclusive culture of continuous learning and development where employees are competent, confident and excited to grow and work.

Lifelong learning and professional training and development secures the competencies needed in a fast changing world and work environment. Allianz sees upskilling and reskilling the workforce as a prerequisite for long term success, including through Strategic Workforce Planning.

A thriving working environment is one that is welcoming and inclusive. Allianz drives gender balance and promote an inclusive culture along other dimensions, such as disability, nationalities/ethnicities, generations and LGBTQ+.

For Next Generations and People with disabilities, Allianz is focusing on SDG 8, supporting employability. The Group believes these skills need a mental and physical foundation, which is why Allianz thinks education and physical activity are key to enable the Next Generations to prosper.

### 3.3 Climate Approach

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To address 'Environmental risks' and 'Climatic risks', in its aspects, Allianz' climate approach is an integral part of Group' core business. By committing to netzero greenhouse gas (GHG) emissions by 2050, Allianz is working to set long-term and intermediate targets across our operations and business lines, to create positive change for societies and economies to deliver on Allianz' net-zero commitments.

For the proprietary investment portfolio, Allianz has committed to reduce GHG emissions to net-zero by 2050. The intermediate 2025 targets initially covered listed equities, corporate bonds and real estate. In addition, Allianz is constantly expanding the scope of targets in line with the Target Setting Protocol of the Net-Zero Asset Owner Alliance (NZAOA), an initiative that is led by the U.N., which Allianz was one of the founding organizations and holds the Chair.

For the insurance portfolio, we were one of the founding members of the Net-Zero Insurance Alliance (NZIA).

Allianz is also committed to gradually phase out coal-based business models across its proprietary investments and P&C portfolios, with a 2040 deadline at the latest. The milestones for this phase-out have been derived from leading climate scenarios which keep global warming by the end of this century to 1.5°C with limited temperature overshoot.

In addition, Allianz advocates for strong climate policy. A supportive policy environment is crucial to ensure the viability of a socially-just transition to climate resilience and net-zero emissions.

## 4. Sustainability Risk Management

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The management of sustainability risks (climatic risk in tis aspects, environmental risk and social risk), for AGCS BR will be managed by Allianz SE, which will be responsible for developing reports and materiality study in order to identify, evaluate and classify, by materiality levels, the sustainability risks to which the Group is exposed, taking into consideration the characteristics of its activities, operations, products, services, clients, suppliers and service providers. The AGCS BR Risk Management Unit will support in implementing the methodologies, processes, procedures and specific controls as per defined by the current local regulation associated to sustainability risks.

The implementation of the methodologies, processes, procedures and specific controls mentioned in this chapter shall be proportional to the level of materiality of the sustainability risks. For activities or operations whose sustainability risks are considered immaterial, if this waiver is expressly provided for

in the materiality study, the implementation may be waived. In this case, the waiver/exemption must be approved by AGCS BR Internal Controls Director.

The materiality study shall be reassessed at least every three (3) years, or whenever there is a significant change in the risk profile and disclosed to the external public in an easily identifiable place on Allianz website, if the sustainability risks are considered immaterial for the totality of its activities and operations.

## 5. Sustainability Report

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Allianz SE will elaborate and disclose a sustainability report annually, with a Global approach, contemplating the minimum requirements defined by SUSEP. This report shall be prepared in relation to the base date of December 31 of the fiscal year prior to its disclosure. For AGCS BR information, the report will be approved by AGCS BR Directors responsible for the development and offer of products or services and the performance of its activities and operations and by AGCS BR Internal Controls Director and shall be shared with the Management Bodies, Audit Committee, Risk Committee and any other Commissions and Committees which are in place for AGCS BR.

## 6. Approval and Update

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AGCS BR is committed to addressing environmental, social and governance (ESG) issues by ensuring that sustainability is integrated everywhere, both in its own operations and across its insurance, proprietary investment and asset management activities.

This document has been approved by the AGCS BR Statutory Committee prior to their effective date. The responsibility for maintaining and updating this document lies with the AGCS BR Risk Management Unit.

This Policy will be reviewed every 3 (three) years or before, and updated if and where necessary.

## Glossary of Abbreviations/Terms

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Abbreviation/Term	Description
Allianz	Allianz SE (Allianz Group)
AGCS BR	Allianz Global Corporate & Specialty Resseguros Brasil S.A.
SUSEP	Brazilian Regulator Body (Superintendência de Seguros Privados)
Sustainability risks	Set of climatic, environmental, and social risks
Climatic risks	<p>a) physical climatic risks: possibility of the occurrence of losses caused by events associated with frequent and severe inclement weather or long-term environmental changes, which can be related to changes in weather patterns;</p> <p>b) transition climate risks: possibility of losses caused by events associated with the process of transition to a low carbon economy, in which the emission of greenhouse gases is reduced or offset and the natural mechanisms for capturing these gases are preserved; and</p> <p>c) litigation climate risks: possibility of losses caused by claims in liability insurance or direct actions against the supervised company, both due to failures in the management of physical or transition climate risks;</p>
Environmental risks	possibility of losses caused by events associated with environmental degradation, including the excessive use of natural resources
Social risks	possibility of occurrence of losses caused by events associated to the violation of fundamental rights and guarantees or to acts that are harmful to the common interest

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